**Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Period: \_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Unit 9: Formal Assessment**

**Public Policy**

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| CLG 4.1.2 Analyze how scarcity and opportunity cost affect economic decision making. |

**1. Which of these would be the probable effect of a local government’s desire to resurface half of its roads in one year?**

1. Taxes will decrease
2. More people will leave the area
3. The local government will purchase additional buildings
4. The percentage of money devoted to other needs will decrease

**2. Read the scenario below.**

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| A local board of education is preparing the budget for the next fiscal year. The board decides to pay for repairs to school buildings instead of buying new computers. |

**What economic concept applies in this situation?**

a. elasticity

b. market failure

c. interdependence

d. opportunity cost

**3. Suppose the president and leaders of Congress agreed to increase funding for the military and for education, while not funding protection of wetland for migrating cranes.**

**Which of these does the above decision reveal about economic costs and benefits?**

a. there must be priorities in a limited budget

b. money is available to fund all programs

c. choices are made with a focus on local goals

d. budget decisions always benefit the environment

**4. What is the opportunity cost for state governments that spend money during natural disasters?**

a. main highways between states may be blocked

b. prices for snow removal equipment may increase

c. other services offered by the states may have to be cut

d. state governments may receive additional highway funds

**5. A student has two hours after school before a dentist appointment. The student must decide whether to finish their homework or go out and play ball with his friends. He decides to play basketball.**

**What is scarce in this scenario?**

1. the number of friends the student has
2. the number of basketballs the student has
3. the money that the student has
4. the time that the student has

**6. A student has two hours after school before a dentist appointment. The student must decide whether to finish their homework or go out and play ball with his friends. He decides to play basketball.**

**What is the opportunity cost of the student’s choice?**

1. playing basketball with his friends
2. completing his homework
3. two hours
4. the student’s dental health

**7. Which of the following is not an example of scarcity?**

1. a city government has a budget of $1.1 million
2. a state government has only 23 preserved parcels of land
3. the city council passes a law that bans skateboards on city streets
4. a student has thirty minutes to take an exam

**8. Baltimore City decides to spend money previously delegated for field trips on brand new textbooks.**

**What is the opportunity cost of this decision?**

1. the textbooks
2. the field trips
3. the money
4. the principal of the school

**9. Which of the following is an opportunity cost of selling open land to developers who will build new factories on the land?**

1. new jobs will be created
2. increased tax revenues
3. a clean environment
4. decreased tax revenues

**10. Which of the following headlines reflect the principle of scarcity?**

1. “Economy loses 10,000 jobs in November”
2. “Government cuts income tax to 1%”
3. “Governor impeached for wrong doing”
4. “City council creates recycling program in schools”

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| CLG 4.1.4 Analyze how fiscal and monetary policy are used during the business cycle. |

**11. Which of these would most likely result in an increase in the money supply?**

a. an increase in taxes

b. a decrease in interest rates

c. a decrease in government spending

d. an increase in reserve requirements

**12. Read the headline below:**

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| --- |
| **“House approves $1.2 trillion tax cut”** |

**Why would Congress take the action in the headline?**

a. to reduce the money supply

b. to reduce the budget deficit

c. to increase consumer spending

d. to increase federal assistance programs

**13. What action can the federal government take to limit the effects of a recession?**

a. decrease taxes

b. decrease spending

c. increase interest rates

d. increase the reserve requirement

**14. Read the headline below:**

|  |
| --- |
| **Modest job gains, wage growth in November** |

**This headline is describing which economic trend?**

1. recession
2. depression
3. expansion
4. deflation

**15. Read the headline below:**

|  |
| --- |
| **Wages in Maryland increase over a two-year period** |

The news above will most likely affect city budgets because

1. there will be more federal funds to build roads
2. local governments will collect more tax dollars to fund projects
3. there will be fewer donations to local charities
4. the business community will support public schools

**16. Read the headline below and answer the question that follows:**

|  |
| --- |
| **House of delegates approves 75-cent Tobacco Tax** |

**Which of these best describes why the government would take the action described in the headline?**

1. To ensure equal access to public services
2. To change how businesses produce goods
3. To ensure people with higher incomes pay more taxes
4. To change the buying decisions of consumers

**17. Which of the following does the Consumer Price Index (CPI) measure?**

1. Gross Domestic Product (GDP)
2. unemployment
3. inflation
4. expansion

**18. Which of the following actions best promotes economic stability?**

1. A state government lays off workers
2. The Federal Reserve raises rates to control inflation
3. A local government fails to pay its debts
4. The federal government spends more revenue than it collects

**19. To address a lack of funds for the budget, which of these would government most likely increase?**

1. Public services
2. Interest rates
3. Income taxes
4. National security

**20. Which of the following actions would the Federal Reserve take during a recession?**

1. Decrease the discount rate
2. Sell securities
3. Increase income taxes
4. Increase government spending

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| **1.1.3 Analyze the role of government in solving public issues** |

**21. Which of these benefits does Social Security provide to senior citizens?**

a. free meals

b. prescription drugs

c. job placement

d. retirement income

**22. Read the headline below:**

**“Retirees’ interest group endorses Senate candidate”**

**Which policy position did the candidate most likely take to earn the support of this organization?**

1. propose city curfew laws
2. guarantee college student loans
3. increase social security funding
4. revise school curriculum requirements

**23. States may offer medical coverage to children whose families cannot afford health insurance, and who do not qualify for similar federal programs. What is the purpose of this program?**

a. to increase wages for hospital employees

b. to ensure that children receive health care

c. to increase compensation in the health care industry

d. to conduct a census of children living in each state

**24. Which of these is a purpose of Social Security?**

a. granting retirement benefits

b. enforcing affirmative action laws

c. monitoring unfair business practices

d. developing workplace safety regulations

**25. Which of these is a purpose of social security?**

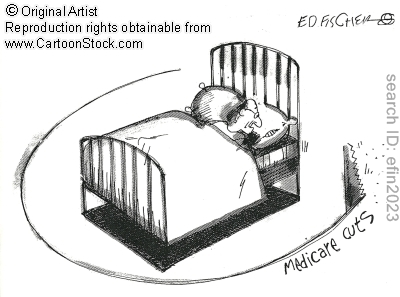
a. to regulate the healthcare industry

b. to provide income to retirees

c. to give relocation assistance to immigrants

d. to encourage tax payers to give money to charities

**26. Use the cartoon below to answer the following question:**



**According to the cartoon, in 1997**

a. fewer people applied for Medicare

b. the cost of providing Medicare decreased

c. the government reduced Medicare funding

d. fewer people needed the assistance of Medicare

**27. Which of these is an example of balancing freedom of expression with maintaining order?**

a. a police officer issues a traffic ticket

b. a school establishes a dress code

c. a newspaper editorial supports environmental protests

d. a representative proposes a bill about health care

**28. Which of these local government actions would most likely promote economic equity?**

a. raising sales tax rates

b. funding job-training programs

c. strengthening land use regulations

d. requiring members of some professions to be licensed

**29. Maryland provides child car seat inspections through its local police departments.**

**Which of these describes the main purpose of this government program?**

a. to guarantee individual rights

b. to reduce crime

c. to protect public safety

d. to raise revenue

**30. Life expectancy in the United States is predicted to increase from 66 years in 1945 to 79 years in 2020.**

**Which of these problems will most likely be created by this increase in life expectancy?**

1. A deficit will occur in the Social Security system because more people are receiving benefits than contributing to the system.
2. The President will increase taxes to maintain government revenue because there are more working people to tax.
3. The number of jobs will decrease because more Americans will be forced to work until an older age.
4. Politicians will neglect public health issues because most adults have private health insurance.

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| **3.1.1 Analyze the effect of demographic data on policy making** |

**31. In 2000, the United States Census indicated significant population growth in many states.**

**This population growth would most likely result in**

a. decreasing property value

b. increasing voter registration requirements

c. reapportioning congressional seats

d. eliminating zoning laws

**32. The process used to redistribute representation in Congress based on population shifts is called**

a. majority rule

b. reapportionment

c. eminent domain

d. redistricting

**33. Study the table below:**

**MARYLAND AND VIRGINIA POPULATION DATA (2006)**

|  |  |  |
| --- | --- | --- |
|  | **Maryland** | **Virginia** |
| **Population in 2006** | **5.6 million** | **7.6 million** |
| **Population Change since 2000** | **+6%** | **+8%** |

**The changes described in the table would most affect Maryland and Virginia’s influence in the**

a. U.S. Senate

b. Supreme Court

c. President’s cabinet

d. U.S. House of Representatives

**Study the table below and then answer questions 34-36.**

**MARYLAND POPULATION CHANGE: 1990-2000**

|  |  |  |  |
| --- | --- | --- | --- |
| **Jurisdiction** | **1990 Population** | **2000 Population** | **Population Change**  **1990-2000** |
| Allegany County | **74,946** | **74,930** | **-16** |
| Baltimore City | **736,014** | **651,154** | **-84,860** |
| Dorchester County | **30,236** | **30,674** | **+438** |
| Prince George’s County | **723,123** | **801,515** | **+78,394** |

**34. Based on the table, which of these would most likely have occurred from 1990 to 2000?**

a. Baltimore City had decreased tax revenues

b. Allegany County had increased school enrollments

c. Dorchester County increased its number of public libraries

d. Prince George’s County decreased spending on road maintenance

**35. Which of these county governments would have experienced the greatest decrease in tax revenue?**

a. Allegany County

b. Baltimore City

c. Dorchester County

d. Prince George’s County

**36. Which of the following statements about Prince George’s County is most likely true?**

a. Prince George’s County experienced a decrease in tax revenue

b. Prince George’s County experienced a decrease in government services

c. Prince George’s County experienced an increase in government services

d. Prince George’s County’s population nearly doubled

**37. Why are seats in the House of Representatives reapportioned every 10 years?**

1. to give interest groups more influence
2. to modify political party alliances
3. to account for changing populations
4. to create new committees

**38. Which of these could result if a state’s population declined over time?**

a. increased funding from Congress for social programs

b. reduced representation in the House of Representatives

c. reduced representation in the United States Senate

d. greater number of electors to the Electoral College

**39. Reapportionment is based on changes in the**

a. wealth of an area

b. boundaries of an area

c. population of an area

d. number of voters in an area

**40. Which of these government responsibilities is** most **related to the United States Census?**

a. maintaining national defense

b. protecting the environment

c. ensuring fair political representation

d. establishing criminal justice procedures

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| **3.1.3 Analyze the role of regional cooperation in decision making** |

**41. The Chesapeake Bay Program is a partnership between Maryland, Virginia, Delaware, Pennsylvania and Washington, D.C. Its purpose is to protect and restore the Chesapeake Bay.**

**This program addresses the need for regional cooperation in:**

a. tourism

b. interstate trade

c. natural disaster preparation

d. natural resource management

**42. Which of these is not an example of a compromise between economic interests and environmental interests in the development of a natural resource?**

a. an oil company agrees to drill at least 50 miles offshore from public beaches

b. developers are required to donate a portion of their profits to environmental awareness programs

c. the government forbids the harvesting of oysters in the Chesapeake Bay

d. The government holds public hearings to decide the zoning for a new waterfront community

**43. Which of these actions is not an example of regional cooperation?**

a. A state governor requests that a governor from another state return a suspected criminal.

b. A city operates water facilities in another county and is paid by the county.

c. A county executive establishes a joint police task force with city mayors to combat auto theft.

d. Representatives from a local government create a legislative agenda seeking funding for

transportation projects for their city.

**44. Which of these issues would most likely require cooperation among state officials from Maryland, Pennsylvania, and Virginia?**

a. construction of a shopping mall

b. inner-city recreation centers

c. pollution of a river

d. public school funding

**45. Read the statement below and answer the questions that follow.**

|  |
| --- |
| Counties in the Baltimore region signed an agreement to stop algae growth in area reservoirs. Algae growth can cause problems with the taste and odor of drinking water. |

This agreement is an example of

a. the actions by a local government to implement state policy

b. the establishment of federal guidelines to address local issues

c. regulations from the state government to improve public services

d. cooperation among local government to address a common issue

**46. Which of these would require regional cooperation?**

a. expanding city recreational facilities

b. providing neighborhood trash removal

c. determining voter qualifications

d. maintaining an interstate highway

**47. Which of these would not require regional cooperation by local governments?**

a. raising the property tax in Baltimore City

b. maintaining the water quality in the Chesapeake Bay

c. building a transportation system from Baltimore to Annapolis

d. solving traffic congestion problems in metropolitan Washington, D.C.

**48. Which of these actions best describes regional cooperation?**

a. A state park expands its tree planting program.

b. Maryland increases pay for state employees.

c. The state capitol and other public buildings are opened to visitors.

d. State governors meet to plan interstate highways.

**49. Read the article below and answer the question that follows.**

|  |
| --- |
| **RUNOFF THREAT TO CHESAPEAKE BAY**  Rainwater runoff has become a threat to the Chesapeake Bay. According to the Environmental Protection Agency (EPA), the runoff brings sand, mud, and pollutants into the watershed. Government officials in Maryland, Virginia, the District of Columbia, and Pennsylvania have developed a plan to address the problem. |

The government action in the news article is an example of

a. state government cooperation in regional issues

b. federal intervention in states’ rights issues

c. the government’s role in a free market economy

d. the improved condition of polluted waterways

**50. The Susquehanna River flows through New York, Pennsylvania, and Maryland.**

**Which of these is the** most **effective way to resolve disputes over the use and protection of the river?**

a. turn over control of the river to one state

b. hire a private company to manage actions related to the river

c. encourage each state to develop and enforce its own policies

d. create a regional organization to develop policies regarding the river

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| **3.1.2 Analyze the role of land use in government decision making** |

**51. Read the excerpt below.**

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| --- |
| “Baltimore County ranks among the top counties in the nation in preserving rural land, a 20-year effort that county officials say protects the environment…” –*Baltimore Sun,* September 2003 |

**The excerpt describes the efforts of local government to deal with which of these issues?**

1. urban sprawl
2. social welfare
3. industrial waste
4. agricultural technology

**Study the political cartoon below. Then answer numbers 52 and 53.**



**52. Which government body would have the most direct control over the issue illustrated in the cartoon?**

1. a congressional committee
2. a local zoning board
3. a state legislature
4. a federal regulatory agency

**53. What was the opportunity cost of building the new houses shown in the cartoon?**

1. using recycled construction materials
2. naming the neighborhood streets
3. paving the roads
4. preserving open space and the environment

**54. Read the headlines below.**

|  |
| --- |
| **“Many residents protest transfer of land for housing development”** |
| **“Landowner does not want land included in protected area”** |

**Which concern about zoning laws do these headlines reflect?**

1. restricting the voting rights of the people
2. harming the health and well being of citizens
3. providing no opportunities to protect the environment
4. continuing government regulation of private property

**55. Read the information below.**

|  |
| --- |
| In 2008, the Maryland Department of Natural Resources considered whether to allow power companies to clear mountaintop areas in the Potomac and Savage River state forests to build 100 electricity-producing wind turbines. |

**The proposal to construct wind turbines in Maryland state forests was intended to promote**

1. the development of clean and renewable energy alternatives
2. an expansion of highway and mass transit opportunities
3. an increase in property tax revenues for local governments
4. the emergence of manufacturing jobs in local factories

**56. Which of these is a goal of land use regulations?**

1. to issue building permits
2. to reduce government services
3. to control rapid growth
4. to fund recreational opportunities

**57. Maryland offers tax breaks for farmers who donate the development rights of their land to the state.**

**What is the purpose of this program?**

1. to raise tax revenue
2. to discourage farming
3. to increase crop prices
4. to preserve open space

**58. Read the information below.**

|  |
| --- |
| A mayor proposes a plan to rezone a city neighborhood and develop a family arts and entertainment district. In this proposal, tax incentives would be offered to attract artists and businesses to the area. |

**This plan is best described as an example of**

1. regional cooperation
2. growth policy
3. suburban sprawl
4. environmental protection

**59. Read the headline below and answer the question that follows.**

|  |
| --- |
| **County Implements New Residential Zoning Laws** |

**Which of these issues is most likely being addressed by the headline?**

a. pollution

b. redistricting

c. urban sprawl

d. reapportionment

**60. Which of these best explains why local governments create zoning laws?**

a. to require builders to pursue creative designs

b. to increase the number of jobs in a community

c. to encourage businesses and citizens to recycle more goods

d. to control the use of buildings and land within a community